



Consumer Alert

Natural Gas Bills Have A New Look

A New Bill Format – But No New Charges



Some Michigan natural gas companies now provide more detail about usage and charges on their monthly bills to customers. Instead of a single cost for gas charges, the bills now include both the cost of gas and the gas delivery cost. These are not new charges assessed by your utility company, rather a revised bill format designed to increase customers' understanding of the specific charges that make up the total bill. Customers are now able to review their bill and identify their costs per unit of gas, and customers participating in customer choice programs are able to compare prices offered by alternate natural gas suppliers.

The sample natural gas bill below illustrates the primary parts of the new bill format. It is based on a monthly usage of 100 cubic feet (Ccf) of natural gas. Actual usage, charges, and terms will vary.

Old Format	
Cost of Gas	100 Ccf x \$0.77159 = \$77.16
Customer Charge	8.50
Michigan Sales Tax (4%)	<u>3.43</u>
Total Bill	\$89.09
New Format	
Gas Charge ¹	100 Ccf x \$ 0.58546 = \$58.55
Distribution Charge ²	100 Ccf x \$ 0.18613 = 18.61
Customer Charge ³	8.50
Michigan Sales Tax (4%)	<u>3.43</u>
Total Bill	\$89.03
<p>¹Gas Charge is a charge for the gas used during the billing period.</p> <p>²Distribution Charge is a charge for delivering gas from your chosen supplier to your home or business.</p> <p>³Customer Charge is a monthly recurring charge for basic customer related costs including meter reading, billing, and equipment and maintenance expenses.</p>	

Again, no new charges have been added to your bill. The detailed bill enables you to identify your costs per unit of natural gas. This gives customer choice program participants information needed to shop around for the best price on natural gas.

